

MEMORANDUM FOR: Director of Logistics

SUBJECT : Study of Gasoline Shortage [redacted]

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1. As requested, we have conducted a survey of Agency components to determine:

a. The efficacy of any gasoline shortage in the United States [redacted] on Agency operations.

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b. If there are any problems in obtaining gasoline for Agency-operated, Government-owned or leased vehicles, [redacted] vehicles and personally owned vehicles (POV's) operated under an Agency transportation allowance or on mileage reimbursement basis.

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c. If problems do exist, to what extent and geographically where do they exist.

d. What affected Agency components are doing to cope with the current situation.

e. What approach should the Agency take through General Services Administration (GSA) to determine what the Federal Energy Office (FEO) ration plans are for official vehicles or if any plans will accommodate Federal employees using POV's on official business.

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2. Discussions with Agency officials representing components with [redacted] Activities indicate that Agency operations out-  
[redacted] have not been materially affected by the gasoline shortage. There have been inconveniences experienced by those driving POV's caused by long waits in gasoline stations in various areas.

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SUBJECT: <sup>25X1A</sup> Study of Gasoline Shortage [REDACTED]

25X1A 3. Office of Personnel, DD/M&S (OP), identified minor [REDACTED]

elaborated on further in Attachment 1; however, they are not significant when considering that these instances involve only 1-1/2 percent of the vehicles in use [REDACTED] (Attachments 2 and 3).

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4. To cope with the current situation, affected components have implemented the following measures:

- a. Increased the use of Government-operated vehicles.
- b. Pursued additional utilization of public transportation, i.e., buses, planes, taxis, and trains.
- c. Emphasized greater reliance on rented vehicles.
- d. Encouraged more local and long-distance telephone calls.
- e. Initiated more prudent planning in making trips.

[REDACTED]

5. FEO is considering a proposed study to satisfy business needs in the event of gasoline rationing. The study is mentioned in a Washington Post article dated 13 March 1974 (Attachment 4). In view of this FEO action, we recommend making a low key approach to GSA through existing contacts to determine if GSA, as the administrating agency, is aware of any FEO ration plans or special allocations to ensure fuel for employees driving POV's on official business.

SUBJECT: Study of Gasoline Shortage  
25X1A

25X1A

6. Granting that the gasoline shortage at present is not materially affecting Agency operations, it is still considered feasible to establish a focal point within Logistics to periodically monitor the situation with affected components, particularly if significant changes develop and at least until the effects of lifting the oil embargo can be evaluated.

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7. Although not related to the gasoline shortage, during our review of vehicles [redacted] we discovered that certain offices are not including recurring significant mileage reimbursements on their Consolidated Table of Vehicular Allowances (CTVA) as required [redacted]. To correct this situation, the Supply Division is planning to forward a memorandum to all Office Heads requesting updating of their respective CTVA's.

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151

[redacted]  
Chief, Plans and Programs Staff, OL

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4 Atts

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Note on routing sheet to DD/M&S: 19 MAR 1974

Attached is for your information. We will be making contacts with GSA as discussed in paragraph 5, and the Plans and Programs Staff, OL, will be the focal point for monitoring gasoline and other energy shortages.

/s/ F.J. Van Damm

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Approved For Release 2002/05/02 : CIA-RDP78-05599A000100080001-5

Next 1 Page(s) In Document Exempt

Approved For Release 2002/05/02 : CIA-RDP78-05599A000100080001-5

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25X1A

Approved For Release 2002/05/02 : CIA-RDP78-05599A000100080001-5

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Approved For Release 2002/05/02 : CIA-RDP78-05599A000100080001-5

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25X1A

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Next 3 Page(s) In Document Exempt

Approved For Release 2002/05/02 : CIA-RDP78-05599A000100080001-5

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THE WASHINGTON POST  
Wednesday, March 13, 1974

# FEO Sets Study on Rationing

By Tim O'Brien  
Washington Post Staff Writer

The Federal Energy Office has set June 3 as the target date for imposing nationwide gasoline rationing, if it is found necessary, and the office is contracting for a study of the impact of rationing on business and industry.

Any decision to ration will have to be made at least a week before implementation, in order to inform coupon distribution centers of the details of the program.

An FEO spokesman confirmed yesterday that the agency is using June 3 as a target date for imposing any rationing program, but he stressed that rationing can be avoided and is not inevitable.

The date was first revealed by FEO officials at a closed meeting on Monday with representatives of several research and consulting firms. The firms were asked to submit bids by March 18 on a last-minute project to survey the gasoline needs and consumption patterns of U.S. business.

Sources at the meeting said the consultants were given a "very tight" timetable on which to complete the research, based on the June 3 target date. The research involves a national survey of 3,800 randomly selected businesses and industries to analyze the impact of gasoline rationing on the commercial sector and to provide data upon which to make rationing decisions.

The FEO spokesman said one use of the survey may be to modify or elaborate on the standby rationing proposal that was announced in January. He said

posals would ration gasoline to businesses on the basis of historic gas consumption per commercial vehicle, and that "this might be inequitable—very difficult" to do.

He said June 3 is the "logical date when everything could be put together" and that the preparatory and planning work of the agency centers on that date. "But events could force an earlier date," he said.

Reportedly seven consulting and research firms were represented on Monday at the FEO's briefing on the gasoline survey project. Charles Scott, the agency's technical director of the project, said the survey should be low-key. A source said Scott "didn't want to arouse public anticipation or speculation or concern" over possible rationing.

According to sources at the meeting, Scott said the June 3 date was chosen because gasoline use historically peaks in late spring and early summer. He reportedly said the details of a rationing program will have to be decided upon by April 15, since a 30-day waiting and comment period is required before the rules can become effective. In addition, the FEO wants to give the public two weeks' warning.

The sources said the research contract calls for a preliminary report by April 5, showing the percentage of all gasoline that is used in other than private activities, broken down by type of business and industry.

By April 15, a report is to be submitted on gasoline use by small businesses. It would include recommendations for rationing gas to the non-private sector.

Other reports would include an analysis of the quality of business records on gasoline use and further breakdowns on commercial gasoline consumption.

An energy office spokesman said other studies into the implications of rationing are under way, but he would not give any details.

Sources who attended the Monday meeting said Scott indicated that the FEO is trying to develop an equitable rationing plan for the non-private

sector and that the agency wants to go beyond the present formula based on the number of motor vehicles operated by a business.

Other rationing techniques, Scott reportedly said, might be based on the size of a business, the number of employees or dollar sales.

He reportedly said the national survey of businesses would provide data to help answer this question.

Meanwhile yesterday, the administration submitted to Congress a new energy bill to provide authority to impose end-use rationing and various mandatory conservation measures, if they become necessary. Authority for the President to impose rationing was included in the Energy Emergency Act that was vetoed Feb. 28.